

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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	:	
UNITED STATES OF AMERICA	:	<u>INFORMATION</u>
	:	
- v. -	:	22 Cr. ()
	:	
JAMES ZHONG,	:	
	:	
Defendant.	:	
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COUNT ONE

(Wire Fraud)

22 CRIM 606

The United States Attorney charges:

1. In or about September 2012, in the Middle District of Georgia and elsewhere, JAMES ZHONG, the defendant, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, ZHONG, through his transmission of interstate and international wire communications, engaged in a scheme and artifice to defraud the Silk Road dark-web internet marketplace of money and property by (a) creating a string of Silk Road accounts in a manner designed to conceal his identity; (b) triggering multiple transactions in rapid succession in order

to trick Silk Road into releasing Bitcoin from Silk Road's Bitcoin-based payment system into these accounts; and (c) transferring this Bitcoin into a variety of separate addresses also under ZHONG's control, all in a manner designed to prevent detection, conceal his identity and ownership, and obfuscate the Bitcoin's source.

(Title 18, United States Code, Sections 1343 and 2.)

FORFEITURE ALLEGATION

2. As a result of committing the offense charged in Count One of this Information, JAMES ZHONG, the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any and all property, real or personal, that constitutes or is derived from proceeds traceable to the commission of the offense charged in Count One of this Information, including all right, title, and interest of the defendant in the following specific property: the defendant's 80% interest in RE&D Investments, LLC, EIN: 84-1727241.

Substitute Asset Provision

3. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

a. Cannot be located upon the exercise of due diligence;

b. Has been transferred or sold to, or deposited with,
a third person;

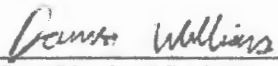
c. Has been placed beyond the jurisdiction of the
Court;

d. Has been substantially diminished in value; or

e. Has been commingled with other property which
cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United
States Code, Section 853(p) and Title 28, United States Code,
Section 2461(c) to seek forfeiture of any other property of said
defendant up to the value of the forfeitable property.

(Title 18, United States Code, Section 981; Title 21, United
States Code, Section 853; and Title 28, United States Code,
Section 2461.)



DAMIAN WILLIAMS
United States Attorney

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(18 U.S.C. §§ 1343, 2.)

DAMIAN WILLIAMS

United States Attorney.